Jubilee Housing Inc

Rent Policy

1. Purpose

The purpose of this policy is to outline how rent is determined for renters in Jubilee Housing properties, including how rent is calculated, renters' rights and responsibilities in relation to rent and how Jubilee Housing will respond if rent payments fall behind.

2. Scope

This policy applies to all properties managed by Jubilee Housing Inc

3. Communication

Jubilee Housing Inc. will ensure this policy is readily available to all applicants, residents, staff and committee members. It will be issued to all new renters at the start of their tenancy and publicly available on the Jubilee Housing website.

Jubilee Housing Inc will provide clear information to renters on how rent for their household has been determined and inform renters when rent will be reviewed. This information will be issued to renters at the start of their tenancy, at each annual rent review and at any time on request.

Jubilee Housing Inc will communicate with renters whenever their rent, or this policy, might change.

4. Policy Principles

Jubilee Housing Inc sets rent in accordance with its social mission to ensure that its housing is affordable for renters. Renters will be informed of the rent that applies to the property or tenancy prior to an offer of a tenancy being made. Jubilee Housing Inc will not offer a tenancy to an applicant for housing unless it is satisfied that the rent is appropriate and sustainable for that household.

In applying this policy Jubilee Housing Inc will also ensure:

- Rent is set in accordance with established affordability benchmarks.
- Communication to applicants and renters on how rent is set and reviewed is clear.
- Rent is reviewed annually to respond to changes in household circumstances and measures are taken to prevent undue hardship.
- Where tenancies are at financial risk, a referral to support will be provided as early as possible to attempt to rectify any issues.
- Consistent, fair and accountable processes are followed, with renters provided with information about processes that impact their tenancies.
- We respond to all issues in a person centred and respectful manner and consider any factors that may be impacting on the safety or wellbeing of renters and their families.
- All our legal, regulatory, and contractual duties are met.

5. Policy Application

Jubilee Housing Inc rent payable will be the lessor of Income based, or Market based rent.

5.1. Income based Rent

In order to be eligible for an income-based rent, renters and household members must:

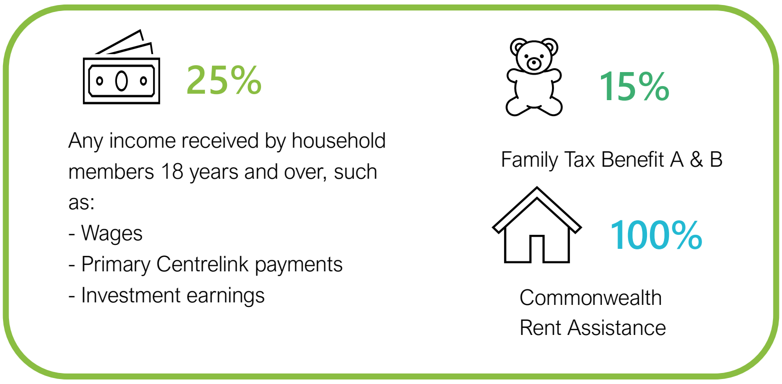
- Occupy a property within the scope of this policy.
- Not own any interest in real estate that could be occupied by the renter.
- Not own assets of similar value to the property they occupy.
- Provide accurate information and evidence of income for all household members.

How we work out the amount of rent payable:

- Jubilee Housing uses the 'simple rent method' to calculate income-based rent.
- We assess the income received by all household members 18 years and over, at the commencement of the tenancy, and at each subsequent annual review (the age assessment of 18 is at date of the rental increase).
- Rent payable is based on a percentage of that income (see diagram below).
- Plus 100% of any Commonwealth Rental Assistance (CRA) the renter may be eligible for.
- Where a household member does not receive an income but are eligible for (e.g. a Centrelink New Start), Jubilee Housing will impute that income for rent assessment purposes.

See here for a full list of the types of income that are included in the rent calculations

This diagram shows how Jubilee Housing Inc calculates rent payable based on renter income:



Renters can request a review of this calculation:

If a renter believes there is an error in their rent calculation, renters have the right to ask Jubilee Housing staff to review and to provide a further explanation. If a renter is not satisfied with the outcome of this process, refer to the Complaints Policy for further options.

Providing information about household income:

Renters are obliged to provide to Jubilee Housing Inc with current evidence that establishes their total household income when applying for an income-based rent to be charged. This evidence must be the most current and up to date and may include:

- Centrelink Income Statements (detailed statements with all Centrelink entitlements) or permission for JHI to access this information directly from Centrelink.
- Payslips for the last 2 months from an employer, including salary sacrifice entitlements (for people working full-time or permanent part-time).
- Payslips for the past 13 weeks from each employer (for people working on a casual basis).
- A recent quarterly BAS return and/or a verified accountant's profit & loss statement (for people who are self-employed).
- Any other income.
- If we are unable to establish your income based on the above information, we may request you to provide us your Bank statement. To comply with the RTA requirements, renters are invited to redact the daily transactions from their statement.

If a household member is not receiving a Centrelink benefit that they may be entitled to, a letter from Centrelink explaining why they are not eligible for the benefit will be required. Otherwise, Jubilee Housing will include all benefits household members may be entitled to in the rent calculation.

What happens if renters don't provide their household income information?

If evidence is not provided, the market-based rent will be charged.

5.2. Market based Rent

The maximum rent charged in JHI properties is the market-based rate which is 74.99% of the current market rate charged for a similar property in the same suburb.

- Maximum market-based rent is reviewed every 12 months.
- If the maximum market-based rent for the property changes when rent is reviewed, Jubilee Housing Inc will provide the renters with at least 90 days' written notice of the rent increase.

6. How rent can change:

- Annually, during rent reviews.
- With approval of the Jubilee Housing Committee of Management if a renter experiences long-term hardship (of more than 3 months) due to a substantial change of income or household-circumstances. (*See Hardship Policy for more information).*
- While the revised rent amount payable might change, rent will never exceed the maximum market-based rent.

7. Rent Obligations

- Rent is charged fortnightly, every second Thursday
- At lease commencement, renters must pay a fortnight's rent plus one week in advance (therefore remaining one week in advance throughout their tenancy). In hardship, the payment and or timeline of the one week in advance can be at the staff's discretion.

If renters miss paying rent:

Renters must pay rent in full and on time, or they will be in breach of their rental agreement with Jubilee Housing Inc. (*see Rent Arrears Policy for more information).*

There are options if renters have difficulty paying rent:

Jubilee Housing Inc will work with the renter to understand rental payment challenges and how they could potentially be addressed. Renters should contact the Housing Manager if they are concerned that they won't be able to pay their next rent or their rental debt *(see Hardship Policy for more information).*

8. Related policies

- Hardship Policy.
- Rental Arrears Policy
- Complaints Policy.

9. Legislation and standards

This policy implements the obligations of Jubilee Housing Inc under:

- Residential Tenancies Act 1997.

And aligns with Community Housing expectations under:

- Housing Act 1983 (Vic).
- Peak industry body for the Australian Community Housing industry, CHIA.